

BOB F. ANDERSON, PE, INC.
PETROLEUM ENGINEERS & CONSULTANTS
TELEPHONE (318) 425-4230
FACSIMILE (318) 222-1054
email: bfandpc@aol.com

October 1, 2004

Honorable James H. Welsh,
Commissioner of Conservation
Office of Conservation
P. O. Box 94275
Baton Rouge, LA 70804-4275

Re: APPLICATION FOR PUBLIC HEARING

Proposed Unit Well
At an Exceptional Location
Cotton Valley Formation
CV A SU65
Danville [REDACTED] Field
Bienville Parish, Louisiana

Dear Sir:

Application is hereby made on behalf of **KEY PRODUCTION COMPANY**, (Applicant), to the Commissioner of Conservation for a public hearing to consider evidence relative to the issuance of an Order pertaining to the following matters relating to Cotton Valley Formation, Danville Field, Bienville Parish, Louisiana:

1. To permit the applicant to drill, designate and utilize a unit well for the production of gas and condensate for the Cotton Valley Formation in the unit designated CV A SU65, Danville Field, Bienville Parish, Louisiana, in exception to the spacing provisions of Office of Conservation Order No. 729-E, such unit and well shown on the attached plat and being made a part hereof.
2. To find that a unit well is needed on CV A SU65, at an exceptional location, to assist in the drainage of the Cotton Valley Formation, that cannot be drained by any other well located within the unit.
3. To consider and cover such other matters as the Commissioner of Conservation may deem pertinent and appropriate.

The Cotton Valley Formation in the Danville Field, Bienville and Jackson Parishes. Louisiana, Louisiana was defined in Office of Conservation Order No. 729-E, effective September 1, 1974.

Hon. James H. Welsh
Danville Field
2

The pertinent data pertaining to this application is available for inspection at the Offices of Bob F. Anderson, PE, Inc., 400 Travis Street, Suite 209, Shreveport, Louisiana 71101. Any person wishing to inspect such data should call Bob Anderson 318/425-4230 during normal business hours in order to arrange a date and time for such inspection. A copy of any such pertinent data that is otherwise not available from the Office of Conservation can be obtained **at the expense of the requesting party.**

The subject matter of this application does not require a pre-application notice.

Pursuant to the revised Rules of Procedure, Applicant has made a reasonable effort to obtain the names and addresses of all Interested Owners, Interested Parties and Represented Parties to whom this notice of this intended application is being sent. A copy of this letter and the attached plat is being sent to the District Manager of the Shreveport District Office of Conservation and to the Interested Owners, Represented Parties and the Interested Parties as shown on the attached list

Our check, made payable to the Office of Conservation, is attached to cover the applicable hearing fee.

Yours truly,

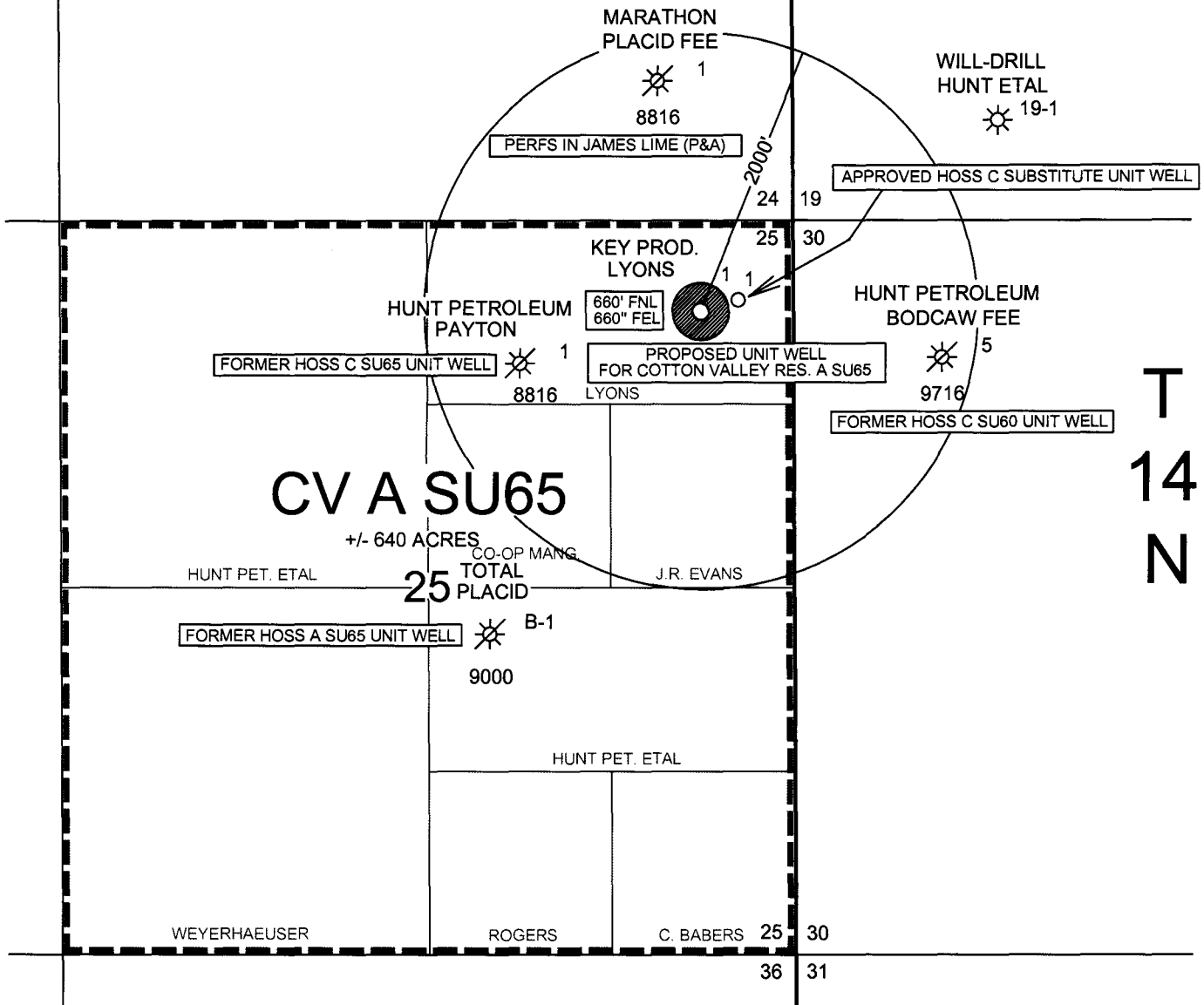


B. F. Anderson, PE for
KEY PRODUCTION COMPANY

cc: Mr. James Broussard, District Manager Shreveport District Office of Conservation
Interested Owners, Represented Parties and Interested Parties
Key Production Company

R 6 W

R 5 W



T
14
N

KEY PRODUCTION COMPANY

DANVILLE FIELD
BIENVILLE PARISH, LOUISIANA

PROPOSED UNIT WELL
AT AN EXCEPTIONAL LOCATION
CV A SU65: LYONS NO.1

EXHIBIT NO.1